

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	
	:	<b>PRELIMINARY ORDER OF</b>
- v. -	:	<b>FORFEITURE AS TO</b>
	:	<b><u>SUBSTITUTE ASSETS</u></b>
PAUL DAUGERDAS,	:	
	:	S6 09 Cr. 581 (DLC)
Defendant.	:	
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WHEREAS, on or about July 1, 2013, PAUL DAUGERDAS (the “Defendant”), and another, were charged in a seventeen-count Superseding Indictment, S6 09 Cr. 581 (the “Indictment”), with, among other offenses, conspiracy, in violation Title 18, United States Code, Section 371 (Count One); client tax evasion, in violation of Title 18, United States Code, Section 2, and Title 26, United States Code, Section 7201 (Counts Two through Eleven); corrupt endeavor to obstruct and impede the Internal Revenue Laws, in violation of Title 26, United States Code, Section 7212(a) (Count Thirteen); and mail fraud, in violation of Title 18, United States Code, Sections 1341 and 2 (Count Seventeen);

WHEREAS, or about October 31, 2013, the Defendant was convicted after trial of Counts One, Five through Seven, Eleven, Thirteen and Seventeen of the Indictment;

WHEREAS, on or about June 26, 2014, the Court entered a Preliminary Order of Forfeiture imposing a money judgment in the amount of \$164,737,500 in United States currency against the Defendant, and forfeiting to the United States all right, title and interest of the Defendant in certain assets (the “Specific Property”) (D.E. 836);

WHEREAS, on or about August 6, 2018, the Court entered an Amended Preliminary Order of Forfeiture as to Certain Specific Properties (the “Amended Preliminary Order”) (D.E. 938) for the purpose of correcting the descriptions of certain assets included in the Specific Property;

WHEREAS, on December 21, 2021, a Final Order of Forfeiture was entered, forfeiting all right, title, and interest to the Government of a portion of the Specific Property (D.E. 1092);

WHEREAS, to date, \$132,978,954 of the Money Judgment against the Defendant remains unpaid;

WHEREAS, with the exception of any and all funds in Charles Schwab/TD Ameritrade, account number ending in -3337, held in the name of PMD Investments, LLC, which is the subject of the Government’s Motion dated March 20, 2023 (Dkt. No. 1097), as a result of acts and omissions of the Defendant, the United States has not been able to locate, obtain or collect assets traceable to the proceeds of the Defendant’s offenses, despite the exercise of due diligence in investigating the assets of the Defendant;

WHEREAS, the Government has identified the following specific asset in which the Defendant has an ownership interest: any and all funds on deposit in Black Rock 529 College Advantage account number 5293891338 held in the name of Trevor J. Daugerdas (the “Substitute Asset”); and

WHEREAS, the Government is seeking the forfeiture of all of the Defendant’s right, title and interest in the Substitute Asset.

NOW IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

1. All of the Defendant's right, title and interest in the Substitute Asset is hereby forfeited to the United States of America, for disposition in accordance with the law, subject to the provisions of Title 21, United States Code, Section 853(n).

2. Upon entry of this Preliminary Order of Forfeiture of Substitute Assets, the United States Treasury Agency (or its designee) is hereby authorized to take possession of the Substitute Asset and to keep it in its secure, custody and control.

3. Upon entry of a Final Order of Forfeiture, the Substitute Asset shall be applied towards the satisfaction of the Money Judgment entered against the Defendant.

4. Pursuant to Title 21, United States Code, Section 853(n)(1), Rule 32.2(b)(6) of the Federal Rules of Criminal Procedure, and Rules G(4)(a)(iv)(C) and G(5)(a)(ii) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, the United States shall publish for at least thirty (30) consecutive days on the official government internet forfeiture site, [www.forfeiture.gov](http://www.forfeiture.gov), notice of this Preliminary Order of Forfeiture as to Substitute Assets and provide notice that any person, other than the Defendant in this case, claiming an interest in the Substitute Asset must file a petition within sixty (60) days from the first day of publication of the notice on this official government internet site, or no later than thirty-five (35) days from the mailing of actual notice, whichever is earlier.

5. The notice referenced in the preceding paragraph shall state that the petition shall be for a hearing to adjudicate the validity of the petitioner's alleged interest in the Substitute Asset, shall be signed by the petitioner under penalty of perjury, and shall set forth the nature and extent of the petitioner's right, title or interest in the Substitute Asset and any additional facts

supporting the petitioner's claim and the relief sought, pursuant to Title 21, United States Code, Section 853(n).

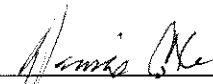
6. The United States may also, to the extent practicable, provide direct written notice to any person, other than the Defendant, known to have an alleged interest in the Substitute Asset, as a substitute for published notice as to those persons so notified.

7. Upon adjudication of all third-party interests, this Court will enter a Final Order of Forfeiture with respect to the Substitute Asset, pursuant to Title 21, United States Code, Section 853(n), in which all interests will be addressed.

8. The Court shall retain jurisdiction to enforce this Preliminary Order of Forfeiture as to Substitute Assets, and to amend it as necessary, pursuant to Federal Rule of Criminal Procedure 32.2(e).

Dated: New York, New York  
March 21, 2023

SO ORDERED:

  
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HONORABLE DENISE L. COTE  
UNITED STATES DISTRICT JUDGE